

SENATE RECORD VOTE ANALYSIS

105th Congress
2nd Session

Vote No. 99

April 23, 1998, 2:23 pm
Page S-3493 Temp. Record

EDUCATION SAVINGS ACCOUNTS/Strike ESAs, Add Computer Training

SUBJECT: Education Savings Act for Public and Private Schools . . . H.R. 2646. Coverdell motion to table the Levin/Bingaman amendment No. 2303 to the Levin/Bingaman amendment No. 2299, as amended.

ACTION: MOTION TO TABLE AGREED TO, 61-39

SYNOPSIS: As amended, H.R. 2646, the Parent and Student Savings Account PLUS Act, will enact the compromise provisions of S. 1133, as reported, on education savings accounts and other education initiatives. It will expand the recently enacted education savings account tax credit, will provide an exclusion from gross income for distributions from qualified State tuition programs, will extend and expand the current-law section 127 tax exclusion (for employer-provided education assistance), and will assist local governments in issuing bonds for school construction by increasing the small-issuer bond exemption. The bill will also enact a proposal to give school construction aid to high growth districts. In total, approximately \$6 billion in tax relief for education over the next 10 years will be provided. That cost will be more than fully offset by modifying the employer deduction for vacation pay and by changing the treatment of the foreign tax credit carryback and carryforward periods (for increased revenues of \$6.9 billion over 10 years). The education tax credit will be expanded by increasing the annual contribution limit for education IRAs from \$500 to \$2,000 for taxable years 1999 through 2002 and by changing the definition of qualified education expenses to include kindergarten through twelfth grade (K-12) expenses (the credit currently applies only to higher education expenses).

The Levin/Bingaman amendment, as amended by an Ashcroft amendment (see vote No. 94), would retain the education savings account provisions and would enact a ban, with limited exceptions, on the Federal Government developing, planning, implementing, or administering any federally sponsored national test in reading, mathematics, or any other subject that was not specifically and explicitly provided for in authorizing legislation enacted into law.

The Levin/Bingaman amendment to the Levin/Bingaman amendment would declare the bill's education savings account provisions null and void, and would then reinstate them except as they would have applied to K-12 education. The amendment would

(See other side)

YEAS (61)			NAYS (39)			NOT VOTING (0)	
Republicans (54 or 98%)		Democrats (7 or 16%)	Republicans (1 or 2%)	Democrats (38 or 84%)		Republicans (0)	Democrats (0)
Abraham	Helms	Biden	Jeffords	Akaka	Kennedy		
Allard	Hutchinson	Breaux		Baucus	Kerrey		
Ashcroft	Hutchison	Byrd		Bingaman	Kerry		
Bennett	Inhofe	Cleland		Boxer	Kohl		
Bond	Kempthorne	Feinstein		Bryan	Landrieu		
Brownback	Kyl	Lieberman		Bumpers	Lautenberg		
Burns	Lott	Torricelli		Conrad	Leahy		
Campbell	Lugar			Daschle	Levin		
Chafee	Mack			Dodd	Mikulski		
Coats	McCain			Dorgan	Moseley-Braun		
Cochran	McConnell			Durbin	Moynihan		
Collins	Murkowski			Feingold	Murray		
Coverdell	Nickles			Ford	Reed		
Craig	Roberts			Glenn	Reid		
D'Amato	Roth			Graham	Robb		
DeWine	Santorum			Harkin	Rockefeller		
Domenici	Sessions			Hollings	Sarbanes		
Enzi	Shelby			Inouye	Wellstone		
Faircloth	Smith, Bob			Johnson	Wyden		
Frist	Smith, Gordon						
Gorton	Snowe						
Gramm	Specter						
Grams	Stevens						
Grassley	Thomas						
Gregg	Thompson						
Hagel	Thurmond						
Hatch	Warner						

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

then provide a new special tax break for teachers who go back to school for training in new technologies. Last year Congress enacted a 20-percent lifetime learning credit (up to a maximum of \$5,000 annually through 2002 and up to \$10,000 annually thereafter) in the Taxpayer Relief Act. That credit is available to any taxpayer who meets the income requirements. Full-time students, teachers, engineers, scientists, or anyone else who wishes to continue his or her education is eligible. The Levin amendment would increase this credit to 50 percent for teachers only, and only if they enrolled in technology classes.

Debate was limited by unanimous consent. After debate, Senator Coverdell moved to table the second-degree amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

NOTE: After the vote, the underlying amendment, as earlier amended, was adopted by voice vote.

Those favoring the motion to table contended:

Our colleagues like to use the average tax benefit numbers that the 15 million American families will receive in an effort to make it seem as though this proposal will have very little effect. They know that if they were to mention that to get a \$37 per year tax benefit a family would save \$1,000, or that to get a \$7 per year tax benefit a family would save \$250, and that if they were to mention that when those numbers were multiplied by the number of families who would get the benefit the total amount that would be saved would be \$10 billion, people would suddenly realize that this proposal is huge. That \$10 billion would be spent not by the Federal Government, not by the State governments, not by local governments, not by local educational agencies, and not even by individual schools--instead, it would be spent by the parents themselves directly on their children's educational needs. Parents know better than anyone else the individual educational needs of their children, they love their children more than any government ever will, and they are absolutely committed to meeting the particular educational needs of their children. No taxes are imposed; no government spending takes place; no administrative costs are incurred, and the spending is so carefully targeted by the people who know what is best for students, their own parents, that we have little doubt that several times \$10 billion in any new educational spending would not come close to the positive benefits that will come from encouraging parents to save and spend this money on their kids. Creating education savings accounts is not a \$7 proposal or a \$37 proposal, it is a proposal to empower parents to spend more than \$10 billion more effectively than any government ever has or ever will be able to on education.

In lieu of this exemplary proposal, our colleagues want to pass a new tax break that we would oppose even as a stand-alone measure with a dedicated funding source. Why should we give a special tax break to teachers to take computer classes and not give the same tax break to teachers who take classes on teaching children with disabilities, or who take classes to become better reading instructors, or who take classes on any other number of worthy educational topics? Further, why should teachers get this benefit, but not doctors, or engineers, or physicists, or anyone else who wanted to stay abreast of developments in their fields? Our point is that this benefit, while very well intentioned is incredibly and unjustifiably targeted on one very narrow need. We should not clutter up the horribly complex tax code with yet one more unjustifiable special interest item. The Levin amendment should be tabled.

Those opposing the amendment contended:

Giving parents a small tax benefit to save money is a pretty modest proposal. The education savings account provisions in this bill will only result in \$7 in tax benefits per year for children in public schools and \$37 per year for children in private schools. Not only is it a modest proposal, it is also a dangerous proposal for two reasons. First, it will result in many parents saving money to get their children out of public schools and into private schools. We oppose that result. Instead of helping children leave public schools, we should be fixing those schools. The second reason it is a dangerous proposal is that it will allow parents to use the tax benefit savings to put their children in religious schools. It is both unconstitutional and wrong for the United States to be so closely associated with religious instruction. In contrast, the Levin amendment's teacher training proposal would provide great benefits and would be clearly constitutional. It would expand to 50 percent the 20-percent lifetime learning tax credit enacted last year in order to help teachers get technology training. Such training is desperately needed. Children can learn how to use computers with ease, but adults find it very difficult. School districts all over this country are making substantial investments in computer hardware and software and connecting to the Internet. Unfortunately, most teachers have been teaching since before the advent of personal computers, and they have had little or no training in their use. Only 15 percent of teachers have had more than 15 hours of technology training. For the most part training has been very minimal, and teachers simply do not know how to use computers in the classroom. Only 5 percent of technology funds are currently being used on professional development. This situation needs to be corrected or we will just end up wasting billions of dollars on computer equipment that will never be used. The Levin amendment would provide the needed correction. We urge our colleagues to give it their support.